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and Certain of Its Affiliates

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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	:	
In re	:	
	:	
LEHMAN BROTHERS INC.,	:	Case No. 08-01420 (SCC) SIPA
	:	
	:	
Debtor.	:	
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**STATEMENT OF LEHMAN BROTHERS HOLDINGS INC. IN
SUPPORT OF MOTION PURSUANT TO FEDERAL RULE OF BANKRUPTCY
PROCEDURE 9019 FOR ENTRY OF AN ORDER APPROVING SETTLEMENT
AGREEMENT BETWEEN THE LBI TRUSTEE AND THE JAPANESE ENTITIES**

TO THE HONORABLE SHELLEY C. CHAPMAN,
UNITED STATES BANKRUPTCY JUDGE:

Lehman Brothers Holdings Inc. (“LBHI” and the “Plan Administrator”), as Plan Administrator under the Modified Third Amended Joint Chapter 11 Plan of Lehman Brothers Holdings Inc. and Its Affiliated Debtors files this statement in support of the Motion Pursuant to Federal Rule of Bankruptcy Procedure 9019 for Entry of an Order Approving Settlement Agreement [Docket No. 8118] (the “Motion”), filed by the LBI Trustee¹ for the SIPA liquidation of LBI in the above-referenced liquidation proceeding, and respectfully represents as follows:

¹ Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Motion.

STATEMENT

1. The Plan Administrator supports the relief requested in the Motion.

Together, LBHI and certain of its controlled affiliates represent LBI's largest general creditor.²

The Plan Administrator has carefully considered the Settlement Agreement from the perspective of LBI's general creditors and concluded that it is manifestly in their best interests and falls well above the lowest point in the range of reasonableness.

2. Creditors of LBHI and its affiliates will also reap a substantial benefit from the Settlement Agreement. LBHI and certain of its controlled affiliates are, directly or indirectly, creditors of Lehman Brothers Japan Inc. ("LBJ"). To date, LBJ has been unwilling to make distributions in respect of certain material affiliate claims until all of its intercompany claims have been fully resolved. LBJ's claims against LBI are the last of such claims outstanding. The resolution of all intercompany obligations between LBJ and LBI will allow LBJ to make a significant distribution to affiliates that will ultimately inure to the benefit of LBHI and its controlled affiliates and, thus, to all of their creditors. The Settlement Agreement will unlock considerable value to creditors of LBHI and its affiliates that LBJ has kept in reserve.

² In the aggregate, the entities controlled by the Plan Administrator hold more than approximately \$3 billion in general creditor claims, more than 25% of general creditor claims against LBI.

WHEREFORE the Plan Administrator respectfully requests that the Court grant

the relief requested in the Motion and such other relief as it deems just and proper.

Dated: February 6, 2014
New York, New York

/s/ Garrett A. Fail
Garrett A. Fail

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